



HOUSE OF REPRESENTATIVES

SB 1159

juvenile commitment; dependent; incorrigible children

Prime Sponsor: Senator Smith, LD 11

DPA/SE Committee on Ways and Means

X Caucus and COW

House Engrossed

STRIKE-EVERYTHING SUMMARY

The strike-everything amendment to SB 1159 establishes prosperity districts (District) and outlines requirements for District formation and governance.

PROVISIONS

Formation of a District

1. Stipulates that, in order to form a District, the original owner of a property must submit a written petition to each of the following:
 - a. The Governor, President of the Senate and the Speaker of the House of Representatives for each new prosperity district.
 - b. The governing board of a city or town, if any portion of the District is in the city or town.
 - c. The governing board of any District to be expanded.
2. Outlines requirements for a petition to form a District.
3. Requires a recipient of a petition to form a District, within 10 days of receipt, to:
 - a. determine whether the petition includes all required information; and
 - b. notify the original owner of whether or not the petition is in compliance.
4. Specifies that if the required recipient of a District formation petition does not notify the original owner that the petition is non-compliant within 10 days, the petition is deemed compliant.
5. Requires all compliant petitions to be recorded with the county recorder for each county in which the district is located.

Interstate Compact

6. Directs the Governor, upon the formation of the first District in the state, to attempt to negotiate an interstate compact regarding Districts with one or more other states.
7. Requires the Governor to submit the compact to the Legislature for enactment if an agreement is reached with one or more other states.
8. Authorizes the Governor to seek federal consent of the compact and limitations on the application of federal law within a district after the compact is enacted.

Revenue Sharing Agreement

9. Requires a District to negotiate a revenue sharing agreement with the state and any municipality the District is located in, if the state enters into a compact.

10. Specifies that the revenue sharing agreement must guarantee that the state and each municipality it is located in receives annual revenues equal to or greater than revenues received in the immediately preceding fiscal year.
11. Requires the revenue sharing agreement to be recorded with the county recorder in every county the District is located in.
12. Stipulates that the revenue sharing agreement applies to all real property in the District, as long as the District is in existence.
13. Stipulates that a District is deemed vacated if it does not enter into a revenue sharing agreement within three years of either of the following, whichever is later:
 - a. The District's formation.
 - b. The enactment date of the compact.

District Regulation and Governance

14. Specifies that, after a revenue sharing agreement is filed:
 - a. The District governing board has exclusive governing authority, as allowed by state and federal law.
 - b. Each ordinary law that taxes, regulates or can otherwise be based on any condition committed in a District is deemed to conflict with the authority of the District and has no effect.
 - c. Each agency or political subdivision of the state has no jurisdiction within the district and are prohibited from addressing any condition, entity, property, action or omission located or occurring within a District.
15. States that the common law of contracts, property and torts applies in a District unless modified by the District governing board.
16. Directs all legal disputes within a District to be brought to the state judicial system, unless the District governing body or the parties in the dispute otherwise agree.
17. Stipulates that all state laws existing on the date a revenue sharing agreement is filed that govern national security, immigration, violent crime, prostitution or the possession, sale or transfer of controlled substances are effective in a District.
18. Requires a District governing board to cooperate with the state to fulfill the conditions of any federal grant.
 - a. Any District that fails to cooperate with the state in collecting a federal grant is liable for the full amount of any federal monies that are denied to the state. The full amount lost must be provided within 30 days after submission of proof of the failure.
19. Stipulates that all existing interstate agreements, compacts and laws enforcing or protecting vested contractual or property rights continue to be in effect in the District.
20. Provides that the state retains the same jurisdiction within a District to remedy environmental harms, property damage and economic or personal injuries occurring outside of the District that were caused by conditions or activities within the District.
21. Directs a District governing board to manage its governmental and proprietary operations and adopt any necessary bylaws, policies or rules consistent with this Act.
22. Specifies that a District may only provide municipal services, utilities and infrastructure, without which:

SB 1159

- a. a District would be unable to perform its duties;
 - b. development and improvement of the encompassed land would be impracticable; or
 - c. the District would cease to exist as a viable governmental entity.
23. Restricts a District from:
- a. exercising any power of eminent domain; or
 - b. levying a tax.
24. Requires a District to give preference to rules of governance that are adopted voluntarily by a contract.
25. Allows a District to be dissolved upon the submittal of a petition by property owners that make up at least two-thirds of the fair market value of all lands in the District.

Miscellaneous

26. Defines *eligible land*, *ordinary law*, *original owner*, *prosperity district*, *revenue sharing agreement*.

AMENDMENTS IN WAYS AND MEANS COMMITTEE

1. The strike-everything amendment was adopted.

CURRENT LAW

Not currently addressed in statute.